DEPARTMENT OF BENEFIT PAYMENTS

744 P Street, Sacramento, CA 95814

March 25, 1975



ALL-COUNTY LETTER NO. 75-68

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: FOOD STAMP PROGRAM - ORDERING AND DELIVERY OF NEW COUPONS

REFERENCE:

Shortage of New Coupons

Currently, there is a nationwide shortage of food coupons in the \$2, \$7, and \$40 books. Counties that will need more coupons through the end of June should take one or more of the following steps to remedy the problem. These solutions should be pursued in the order presented:

- 1. Effect a transfer from another shipping point.
- 2. Ignore the mix-of-books table in issuing coupons (for example, if short of \$40 books, substitute \$2 and \$7 books).
- 3. Issue old coupons (effect a transfer from another shipping point if necessary). Prior approval from the Food Stamp Policy Coordination Bureau is required. You may contact Kathy Lewis or Dick Fox at (916) 445-6907.
- 4. If none of the above methods will provide you with sufficient supplies of coupons, contact the Policy Coordination Bureau as indicated above.

Second Requisition and Emergency Requisition of New Coupons

The second order of coupons should arrive at shipping points by April 1. This will be the order placed by the county or agent, modified only by subsequent FNS changes. FNS has already indicated these changes to the affected counties. The telephone spot survey of March 4 and 5 by the Food Stamp Policy Coordination Bureau has resulted in emergency requisitions for the major reporting points contacted. FSPCB has prepared and submitted the requisitions on behalf of these points. These emergency requisitions will be shipped in April, depending on the availability of supplies.

GEN 654 (2/75)

Superseded by ACL 77-15

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Third Requisition of Coupons

Reporting points should promptly submit their third order for another two month supply of food coupons on the new multi-colored form. A supply of FNS-260 forms is attached. Additional forms are being shipped from FNS directly to reporting points. Requisitions should be routed through counties (see ACL 75-2).

Advice of Transfer (FNS-300)

Enclosed is a supply of Advice of Shipment forms, FNS-300, which serve as the official document supporting transfer of the new coupon books between reporting points. It is prepared in five parts by reporting points (see All-County letter 75-51 for routing details).

Defective Coupon Books

Due to "start-up" problems there is an increased number of defective books in the first shipment of the new coupons. These defects include: staples missing, non-agreement of serial numbers within books, missing serial numbers, miscut coupons, coupons with ink spots, coupons with oil stains, torn or creased coupons, and other obvious defects. However, the \$2 coupon book was purposefully manufactured without a back cover, primarily to conserve paper.

At present the food coupon manufacturers are not prepared to accept or replace the large-scale returns anticipated if issuance points strictly adhere to Manual Section 63-5300, Establishing Claims for Improperly Manufactured or Mutilated Food Coupon Books Found Prior to Issuance. So, for the next three months, please issue books with the above defects unless the book cover has no serial number and would inhibit internal accountability, or the defect is such that the coupons would be more properly described as mutilated.

Please remind recipients not to detach the five and ten dollar coupons from the new books prior to presenting them in exchange for eligible food, unless the serial numbers match those on the book cover. This will minimize incidents of refusal at authorized retail stores whose checkers are instructed, by FNS regulation, to insure that loose five and ten dollar coupons match the serial numbers of the book cover before these coupons are accepted.

If you have any questions, please contact Dick Fox of the Food Stamp Policy Coordination Bureau at (916) 445-6907.

Sincerely.

DENNIS O. FLATT Deputy Director

enclosures (To CWD's only with advance copy)

cc: CWDA

FNS, USDA